

STATE PROPERTIES COMMITTEE

Tuesday, May 25, 2005

The meeting of the State Properties Committee was called to order at 11:10 A.M. by Chairman Jerome F. Williams. Other members present were Genevieve Allaire Johnson, Esquire, representing the Department of Attorney General, Mr. Robert Griffith, representing the Department of Administration, and Mr. Robert W. Kay, Public Member. Also present were, Mr. John Ryan, from the Department of Administration; Messrs. Daniel Clarke, Paul Carcieri and Robert Jackson, from the Department of Transportation; Ms Lisa Primiano and Attorney Mary Kay, and Mr. John Faltus, from the Department of Environmental Management; Mr. Richard DeFino, from the Department of Corrections; Ms. Gail Valuk and Messrs. Paul Petit and Donald Depardo, from the Judiciary; Mr. J. Vernon Wyman, from the University of Rhode Island; Ms. Kari Lang, from the West Broadway Neighborhood Association; Messrs David A. Cohen and Joel H. Cohen, from Promet Marine; Messrs. Edward D. Feldstein and Sean O. Coffey, for Tidewater Realty; Mr. Thomas Barry; and, Mr. Edward Rowse, from Rowse Architects;

The Chair, Mr. Williams acknowledged and welcomed Mr. Robert W. Kay who was appointed as the new Public Member to the State Properties Committee, replacing Mr. Thomas Barry. Mr. Barry has been appointed to replace Representative John McCauley, Jr. on the Committee. Mr. Barry's appointment will require the advice and consent of the Senate.

The Chair, Mr. Williams presented the minutes of the meeting held on May 10, 2005 for approval. Ms. Genevieve Allaire Johnson and Mr. Robert Kay abstained from voting since they were not presented at the meeting.

A Motion was made by Mr. Kay and seconded by Mr. Griffith to defer approval of the minutes of the meeting of May 10, 2005 until such time as a quorum is present of members who attended the meeting of May 10, 2005.

Passed Unanimously

ITEM A – DEPARTMENT OF ADMINISTRATION – A request was made by the Department for approval and signatures on lease with Omnipoint Holdings, Inc. to allow installation of antenna facilities on the Pastore Center, Cranston water tank.

At the request of the Department, this matter was deferred to June 7, 2005.

ITEM P – DEPARTMENT OF ENVIRONMENTAL MANAGEMENT – A request was made by the Department for approval and signatures on Purchase and Sale Contract with Tidewater Realty, LLC (affiliate and assignee of Promet Marine Services Corp.) for the land located at 242 Allens Avenue, Providence.

This Purchase and Sale Contract is for property deemed surplus by the Department. The Department entered into a public process to surplus the property. Promet and Tidewater Realty, LLC, an affiliate of Promet, was the successful bidder. The Department has spent several months negotiating the Purchase and Sale Contract and the ELUR, the Environmental Land User Restrictions, which would be placed on the property prior to the transfer to Promet. The purchase price for this 5.664 acres of land is \$1,026,780.00. After the signing of the contract, the Department will receive a deposit from the buyer and the Department will then proceed with the closing. There is one matter still open and that is the notice sent to the City of Providence, officially notifying them of the terms and conditions of the contract and the Department is now within the 30 day window that the City has to respond. The Department has been told that they are not interested in entertaining this same purchase under the terms and conditions, but the Department will let that 30 day window expire. The Department has made unsuccessful

attempts to contract the former owners. The Environmental Land User Restrictions, will be filed prior to the Deed transfer to Promet.

A Motion was made by Mr. Griffith and seconded by Ms. Allaire Johnson to approve the request of the Department for approval and signatures on Purchase and Sale Contract with Tidewater Realty, LLC (affiliate and assignee of Promet Marine Services Corp.) for the land located at 242 Allens Avenue, Providence.

Passed Unanimously

ITEM B - DEPARTMENT OF ENVIRONMENTAL MANAGEMENT - A request was made by the Department for approval and signatures on a Sublease Agreement in connection with the sub-lease of Lot 230 in the Port of Galilee.

This is a Sublease Agreement between Slavin Point Judith Company, LLC and Propark, Inc. for a portion of Lot 230 in the Port of Galilee. The Sublease is for a 50,000 square foot portion of Lot 230 on Great Island Road, which is leased to Slavin Point Judith Company, LLC by the State of Rhode Island pursuant to an Indenture of Lease dated September 10, 1996. Propark, Inc. is subleasing a portion of the premises for the purpose of parking automobiles on a short-term basis. This is parking for the Galilee ferry. Propark, Inc. will be paying Slavin Point Judith \$50,000.00 for a rental fee. This is the same amount that they paid last year. This Sublease is for a one year period, May 1, 2005 to October 15, 2005. The Department is doing appraisals of all the properties in the Port of Galilee. This is one of the first ones that the Department has received an appraisal. It is being reviewed and a presentation will be made to the Committee on the first five or six appraisals that were done. Slavin Point Judith Company, LLC is paying the State \$90,000.00 yearly.

Mr. Griffith inquired what the property is used for in the off season and the Department stated that it is vacant. Mr. Griffith suggested, that since the State owns the

property, when the Lease is being renegotiated, why doesn't the State take back that unused portion and operate the parking lot. The Department stated that there have been some proposals of looking at the overall parking. The Department's former director was looking at all of the parking in Galilee for the ferry and trying to make a determination and trying to standardize it more. Ms. Kay stated that it is a policy decision, and when the Department gets a permanent director, the Port of Galilee and the new appraisals, are something that will be looked at very closely. Mr. Griffith stated that it appears that the Sublease is making a lot of money at the State's expense. A discussion ensued regarding the parking situation. Ms. Kay stated that perhaps the Committee could approve this Sublease subject to the language in the memo that would suggest that an analysis or meeting be held to tackle the issue. Mr. Griffith asked if he was correct in understanding that the Department is, or will be, proceeding with an analysis of the parking situation in the Port of Galilee now. Ms. Kay stated yes, as part of the reappraisal process. Mr. Griffith continued on, then as part of that, we will have some input on parking costs and benefits before the beginning of the 2006 season? Ms. Kay stated that she would certainly hope so. Discussion ensued. Questions were raised on whether the State would achieve greater value by directly operating parking lots. Ms. Kay stated that the Department would have to do an analysis of the terms of the current leases that are on the properties to see what the Department's rights are under those leases to terminate or to amend the leases. Additional discussion took place. The Chair stated that analysis needs to be done. Ms. Allaire Johnson discussed the termination clauses and stated that an exception has been made for short term leases.

A Motion was made by Mr. Griffith and seconded by Ms. Allaire Johnson to approve the request of the Department for approval and signatures on a Sublease Agreement in connection with the sub-lease of Lot 230 in the Port of Galilee.

Passed Unanimously

The Chair Mr. Williams suggested that the Department return either in the late summer or early fall with a review of a cost benefit analysis parking in the Port of Galilee.

ITEM C - DEPARTMENT OF ENVIRONMENTAL MANAGEMENT – A request was made by the Department for approval and signatures on an Assignment of Sublease in connection with the sub-lease of a portion of a building on Lot 201 in the Port of Galilee.

The building is owned by HMM, Inc. at 256 Great Island Road in the Port of Galilee and located on Lot 201, which is leased to HMM by the State pursuant to a Lease dated March 13, 1990. Rita's Homemade Treats, Inc. (Rita Newcomb) entered a Sublease Agreement with HMM, Inc. for 850 square feet of the first floor of the building. Ms. Newcomb's daughter and son-in-law have purchased her business are operating it under the name of Sweet Spot, Inc., so they needed to assign the sub-lease that is in existence with Rita's Homemade Treats, Inc. to the entity that is operating it now. HMM, Inc. will receive \$12,000.00 annually for this Sub-lease.

A Motion was made by Mr. Griffith and seconded by Mr. Kay to approve the request of the Department for approval and signatures on an Assignment of Sublease in connection with the sub-lease of a portion of a building on Lot 201 in the Port of Galilee.

Passed Unanimously

ITEM D- DEPARTMENT OF ENVIRONMENTAL MANAGEMENT – A request was made by the Department for approval and signatures on a License Agreement with Interstate Navigation Company for Pier No. 3 at Fort Adams State Park, Newport.

Interstate Navigation uses the northern side of Pier No. 3 to embark and disembark passengers on its Block Island – Newport Route. The ferry's use is non-exclusive, but Interstate does have a priority between 8:30 and 9:15 AM and 6:30 and 7:15 PM daily. There is a proposal for a high speed ferry which Interstate would offer from Newport to Block Island so this may be the last year for this particular License. Interstate Navigation pays an annual fee of \$9,400.00 for this License. That money is used as a fund to maintain the docks. The term of the License is July 1, 2005 to September 5, 2005.

A Motion was made by Mr. Griffith and seconded by Mr. Kay to approve the request of the Department for approval and signatures on a License Agreement with Interstate Navigation Company for Pier No. 3 at Fort Adams State Park, Newport.

Passed Unanimously

ITEM E - DEPARTMENT OF ENVIRONMENTAL MANAGEMENT - A request was made by the Department for approval and signatures on a Sublease Agreement with Lucille Parent and Mohamed Yussef Bahra for Lot 251 in the Port of Galilee.

This is a Sublease agreement for a gift shop that is owned by Lucille Parent on Lot 251 in the Port of Galilee for Mohamed Bahra to operate. He has operated the shop for the last two years. Ms. Parent is elderly and in poor health and is attempting to sell the property. She has made a large investment in the building. It is one of the nicer buildings in the Port of Galilee. Through this sub-lease she is not able to operate it any more and is trying to recoup some of that investment. The property is for sale and the Department has been trying to work with her to find an appropriate tenant for that property. Under the Sublease Agreement Mr. Bahra will operate the business everyday

with regular business hours from May 1, 2005 through October 31, 2005. Ms. Parent pays the State \$30,000.00 per year and she will receive \$15,000.00 for this sublease.

The Certificate needs to have the State as a named insured and this will be forwarded.

A Motion was made by Mr. Griffith and seconded by Ms. Allaire Johnson to approve the request of the Department for approval and signatures on a Sublease Agreement with Lucille Parent and Mohamed Yussef Bahra for Lot 251 in the Port of Galilee. Approval was granted subject to receiving a Certificate of Insurance naming the State as an additional insured.

Passed Unanimously

ITEM F - DEPARTMENT OF ENVIRONMENTAL MANAGEMENT - A request was made by the Department for approval and signatures on Indenture of Lease with John Bitzko for use of home in the Burlingame State Park, Charlestown.

This is a Lease with John Bitzko, an employee of the Department for the caretaker's cottage at Burlingame State Park, Charlestown. This is a five - year lease. As part of a revised policy relating to assigning market value rents, the Department recently had an appraisal done on the property. Mr. Bitzko had a lease with the Department previously on this property and the Lease has been raised to the new appraised value. He will be responsible for surveillance of the property and surrounding park when the Environmental Police Officers are not present. Mr. Bitzko will also be responsible for lawn care. Mr. Bitzko will pay an annual rental fee of \$9,600.00, payable in equal biweekly payments of \$369.23 through State payroll deduction. The terms of the Lease are June 1, 2005 through May 31, 2010. The rental for the previous Lease was \$4,644.00 annually.

Mr. Robert Kay inquired about the Certificate of Insurance. The Certificate names the State of Rhode Island as an additional insured (liability coverage). Discussion took place regarding the insurance coverage. Ms. Allaire Johnson stated she will contact Mr. Kevin Carvahlo to check the Certificate of Insurance regarding the resident/tenants liability and obligations.

A Motion was made by Mr. Griffith and seconded by Mr. Kay to approve the request of the Department for approval and signatures on Indenture of Lease with John Bitzko for use of home in the Burlingame State Park, Charlestown. Inherent in the Motion was the review of the Certificate of Insurance regarding the resident/tenants liability and obligations.

Passed Unanimously

ITEM G – BOARD OF GOVERNORS FOR HIGHER EDUCATION – (URI) –
A request was made by the Board for approval to proceed with condemnation and removal of the Hope Dining Hall facility located on the Kingstown Campus.

The University of Rhode Island, on behalf of the Board of Governors, was requesting approval to permit URI to remove a building on the Kingston Campus. Hope Dining Hall has served the resident population at the University for about 43 years and currently outdated in design and capacity. Last year in the capital budget, the University secured approval for the construction of a new residence hall which will replace the dining facilities in Hope, as well as a second building on the campus that the University will be dedicating to different uses in the future. This is a \$22M construction project that will occur on the site of the present Hope Dining Hall. In conjunction with this major new construction commitment, the adjacent four residence halls are also being modernized as part of the renovation project. The revenue bonds and the construction costs are completely covered by the revenues derived from the dining operation. This is

an investment to serve the students, that the students themselves are actually paying for. The University is seeking permission to demolish Hope Dining Hall and commence with the construction of the new facility.

A Motion was made by Mr. Griffith and seconded by Mr. Kay to approve the request of the Board to proceed with condemnation and removal of the Hope Dining Hall facility located on the Kingstown Campus.

Passed Unanimously

ITEM H – DEPARTMENT OF CORRECTIONS – A request was made by the Department for approval of waiver of the RFP process regarding relocation of the Woonsocket Adult Probation and Parole Office.

The Department was requesting a waiver of the normal RFP process due to the fact that it recently advertised for space in Woonsocket for the Adult Probation and Parole Office and did not receive any letters of intent in response to the advertisement. Rather than waste additional money on advertising, the Department would like to proceed. Time is of the essence on this project. The lease agreement for the current space at 62-64 Hamlet Street, Woonsocket, expires in December, 2005. A letter has been received from the Director of the Department of Administration, Beverly E. Najarian dated May 24, 2005, requesting that the Committee waive the RFP process.

A Motion was made by Mr. Griffith and seconded by Mr. Kay to approve the request of the Department for waiver of the normal RFP process regarding relocation of the Woonsocket Adult Probation and Parole Office.

Passed Unanimously

ITEM I – ADMINISTRATION – A request was made by the Department for conceptual approval of the use of the Cranston Street Armory parking lot by the West

Broadway Neighborhood Association lot on June 11, 2005 for the Armory Bash fundraiser.

The West Broadway Neighborhood Association (WBNA) is requesting the use of the Cranston Street Armory parking lot on Saturday, June 11, 2005 from 8:00 P.M. to 12:00 Midnight. The WBNA will be holding an event called the Armory Bash and it will be a fundraiser for WBNA programs, including their efforts to save the Armory. The WBNA has special event insurance that will provide coverage for the event. Tickets will be sold for \$10.00 per person. Beer, wine and punch will be served by experienced and trained bartenders from the neighborhood. The WBNA will provide set up and clean up crews.

The Department will return at the next meeting of the State Properties Committee for final approval and signatures on documents.

A Motion was made by Mr. Griffith and seconded by Mr. Kay to approve the request of the Department for conceptual approval of the use of the Cranston Street Armory parking lot by the West Broadway Neighborhood Association lot on June 11, 2005 for the Armory Bash fundraiser.

Passed Unanimously

Mr. Paul Carcieri, from the Department of Transportation, congratulated Mr. Robert Kay on his appointment to the Committee and wished him all the best.

ITEM J – DEPARTMENT OF TRANSPORTATION – A request was made by the Department for approval and signatures on Quit-claim Deed conveying property on Oakridge Court/Route 1By-Pass, Warwick to Brier Associates.

In November of 2004, the Department received conceptual approval to convey approximately 19,000 square feet of excess state land to Brier Associates, Inc. A map

was displayed depicting the area the abutting property of Brier Associates, Inc. The property is unbuildable and fails to meet the frontage requirements of the City of Warwick to be a buildable lot. Its only private abutter is Brier Associates, Inc. It is surrounded on all other sides by property owned by the State. The property was appraised in 2004 for \$98,000.00. Brier Associates, Inc. commissioned their own appraisal and countered with a price of \$60,000.00, which the Department found to be unacceptable. A sum of \$75,000.00 was agreed upon. The property is of no use to the Department and cannot be sold on the open market as it does not meet the dimensional requirement for access and again its only abutter is Brier Associates, Inc. The sell back offers to the former owner at the time of condemnation and the City have been made and denied.

A Motion was made by Mr. Griffith and seconded by Mr. Kay to approve the request of the Department for for approval and signatures on Quit-claim Deed conveying property on Oakridge Court/Route 1 By-Pass, Warwick to Brier Associates.

Passed Unanimously

Mr. Dan Clarke, from the Department of Transportation, congratulated Mr. Robert Kay on his appointment to the Committee and wished him all the best.

ITEM K – DEPARTMENT OF TRANSPORTATION – A request was made by the Department for approval and signatures on transfer of property located on Bald Hill Road, Warwick, from the Department of the Judiciary.

At the request of the Department, this matter was deferred to June 7, 2005.

Passed Unanimously

ITEM L - DEPARTMENT OF TRANSPORTATION – A request was made by the Department for approval and signatures on Temporary Easement Agreement with the

Narragansett Electric Company over property located in Warren for the replacement of the Warren Bridge.

The Department received approval on November 23, 2004 to condemn land and easements for the placement of the Warren bridge, between the Towns of Barrington and Warren. The offers were made to the property owners. The Narragansett Electric Company approached the Department with concerns about the Department's use of a large portion of their facility for a stockpiling area by the contractor and expressed a desire to enter into a formal agreement rather than have the Department condemn a temporary easement. The Department was able to negotiate an agreement for \$11,270.00, which is the same price for the same amount area that was needed for the project. This Temporary Easement Agreement is over 18,155 square feet of land.

A Motion was made by Mr. Griffith and seconded by Ms. Allaire Johnson to approve the request of the Department for approval and signatures on Temporary Easement Agreement with the Narragansett Electric Company over property located in Warren for the replacement of the Warren Bridge.

Passed Unanimously

ITEM M – JUDICIARY – A request was made by the Judiciary for approval and signatures on Easement to Narragansett Electric for installation of equipment for electric service for the Traffic Tribunal at the John O. Pastore Center, Cranston.

The Narragansett Electric Company will be installing a pad mounted transformer for electric service to the new Traffic Tribunal to be located at the John O. Pastore Center, Cranston. There is no cost for this Easement.

A Motion was made by Mr. Griffith and seconded by Ms. Allaire Johnson to approve the request of the Judiciary for approval and signatures on Easement to

Narragansett Electric for installation of equipment for electric service for the Traffic Tribunal at the John O. Pastore Center, Cranston.

Passed Unanimously

ITEM N – DEPARTMENT OF ENVIRONMENTAL MANAGEMENT – A request was made by the Department for approval and signatures on an Easement Agreement with the Town of Westerly for a drainage system and detention pond over property on Atlantic Avenue, Westerly.

This is for a drainage system and detention pond to provide storm water treatment prior to discharge on a 3.32 acre portion of state property on Atlantic Avenue, Westerly. The Town has experienced severe flooding and the drainage system will improve the drainage conditions along Atlantic Avenue. The Town has responded to the Department's request to minimize the easement area, relocate access to the pond and to reduce the visual impact of the detention pond from the road frontage. The Chair, Mr. Williams inquired about the drainage on state property. The Department stated that CMRC has been part of the approval process so the technology that is going to be placed on that site will guarantee the filtering of any of the drainage water.

A Motion was made by Mr. Griffith and seconded by Mr. Kay to approve the request of the Department for approval and signatures on an Easement Agreement with the Town of Westerly for a drainage system and detention pond over property on Atlantic Avenue, Westerly.

Passed Unanimously

ITEM O – DEPARTMENT OF ENVIRONMENTAL MANAGEMENT – A request was made by the Department for approval and signatures on a Purchase and Sales

Contract with Emma Pendleton Bradley Hospital for the purchase of two parcels of land in Lincoln.

This is for the purchase of property from the Emma Pendleton Bradley Hospital. This property consists of two parcels in Lincoln. One parcel is an 8 acre portion of property between Lower River Road and the Blackstone Canal and a 6,700 square foot parcel located between Martin Street and lower River Road. The Department is paying \$21,000.00 and is also receiving as a donation a 700 square foot parcel of land.

A Motion was made by Mr. Griffith and seconded by Ms. Allaire Johnson to approve the request of the Department for approval and signatures on a Purchase and Sales Contract with Emma Pendleton Bradley Hospital for the purchase of two parcels of land in Lincoln.

Passed Unanimously

ITEM Q – DEPARTMENT OF ENVIRONMENTAL MANAGEMENT – A request was made by the Department for approval and signatures on License Agreement with Circus Smirkus for an event at Colt State Park on July 26 and 27, 2005.

Circus Smirkus is a non-profit youth circus which has held events at Fort Adams State Park in the past. They would like to hold an event at Colt State Park this year. Circus Smirkus will provide the necessary insurance. Because this is a non-profit organization, a basic rental fee of \$120.00 is charged by the Department. A detailed environmental policy officer is required to be on duty.

A Motion was made by Mr. Griffith and seconded by Ms. Allaire Johnson to approve the request of the Department for approval and signatures on License Agreement with Circus Smirkus for an event at Colt State Park on July 26 and 27, 2005. Approval was granted subject to receipt of the necessary liability insurance.

Passed Unanimously

ITEM R – DEPARTMENT OF ENVIRONMENTAL MANAGEMENT – A request was made by the Department for approval and signatures on License Agreement with Eugene J. Pezzulli and Auto's of the World for car shows on June 26, 30 and 31, 2005 at Goddard Park.

This is for three car shows that Mr. Pezzulli and Auto's of the World would like to hold at Goddard Memorial State Park in Warwick. The dates would be on June 26, July 30 and July 31, 2005. The Department entertained this request last year and had a License Agreement with Mr. Pezzulli for a similar event last year. These events are held for the benefit of St. Jude Children's Research Hospital and the Diabetes Association. Mr. Pezzulli is in the process of obtaining the necessary insurance.

A Motion was made by Mr. Griffith and seconded by Mr. Kay to approve the request of the Department for approval and signatures on License Agreement with Eugene J. Pezzulli and Auto's of the World for car shows on June 26, 30 and 31, 2005 at Goddard Park. Approval was granted subject to receipt of the necessary insurance.

Passed Unanimously

ITEM S – DEPARTMENT OF ENVIRONMENTAL MANAGEMENT – A request was made by the Department for approval and signatures on License Agreement with Caswell Cooke and Misquamicut Business Association for a concert to be held at Misquamicut State Beach, Westerly, Saturday, July 23, 2005.

This is a first time request from The Misquamicut Business Association and Mr. Caswell Cooke, the Director of The Misquamicut Business Association. The Department has worked with them and the Town of Westerly in the past for a fireworks display. This year they would like to expand on that and offer a free public concert at Misquamicut State Beach on the evening of Saturday, July 23, 2005. They are responsible for all of the

expenses. There is also a letter of commitment from Louis Panciera Insurance to provide the necessary insurance. The Department will follow up to obtain the necessary liability insurance. The Department will also be reimbursed for Environmental Police Officers on detail for this event. The Department is also waiting to get a License Agreement back from the Town of Westerly for the fireworks to be run concurrently with this free concert. Item 4 of the License Agreement requires the services of seven police officers for this event. There will be a cooperative effort between the Department of Environmental Management police officers and the Westerly Police Department. There will be an additional two officers required for the fireworks. It is anticipated that 5,000 to 6,000 people will be attending this event.

Mr. Griffith inquired if the general public have access to the pavilion and the beach and the Department responded yes. Mr. Griffith inquired what the state's liability would be if someone went into the water and drowned. The Department stated that in the past it has tried to keep some people on to keep an eye on activities on the beach and that is why there are environmental police officers on duty. Mr. Kay inquired about the fireworks. The Department has received a letter from the Town of Westerly supporting the festival. Discussion ensued. The Chair, Mr. Williams inquired who would be responsible for any damage incurred to the beach area or state property. The Misquamicut Business Association would be responsible if there is any damage to the beach under the License Agreement. The Chair, Mr. Williams stated that a damage deposit is required for any persons wishing to use Station Park. He suggested that the Department speak to Mr. William Ferguson, from the Office of Facilities Management. Discussion ensued.

A Motion was made by Mr. Griffith and seconded by Ms. Allaire Johnson to approve the request of the Department for approval and signatures on License Agreement

with Caswell Cooke and Misquamicut Business Association for a concert to be held at Misquamicut State Beach, Westerly, Saturday, July 23, 2005.

Passed Unanimously

All matters presented to the Committee were approved by all present.

There being no further business to come before the Committee, the meeting adjourned at 12:40 P.M.

Anne L. Lanni, Executive Secretary